

STATE PROCUREMENT OFFICE NOTICE & REQUEST FOR SOLE SOURCE

ADMINISTRATION
PROCUREMENT OFFICE

TO:

Chief Procurement Officer

FROM:

Department of Transportation, Airports Division

Name of Requesting Department

Pursuant to HRS §103D-306 and HAR chapter 3-122, Subchapter 9, the Department requests sole source approval to purchase the following:

1. Describe the goods, services, or construction to be procured.

The Department of Transportation, Airports Division ("DOTA") requests sole source approval to purchase Information Technology ("IT") maintenance services to support the DOTA AIRMIS21 PropWorks System. The system is a complex and mission critical system that integrates the following: Oracle Financials Accounts Receivable and PropWorks application software, using Oracle database management system and associated Oracle and open source software tools. PropWorks is a niche commercial-off-the-shelf ("COTS") airport software package and is the major component of the AIRMIS21 system.

| · | | 3. Amount of Request: | | |
|--|----------------------|-----------------------|--|-----|
| Hoike Networks, Inc. | | | \$128,128.00 | • |
| 4. Term of contract (shall not exceed 12 mont 28 May atk 6.2.14 | ths), if applicable: | dk 6.2.14 | 5. Prior SPO-001, Sole Source (SS) No.: SS 12 - 053 K & 6-23 | alk |
| From: 1 May 14 | To: 30-Apr-15 | | ~N/A | |

- 6. Describe in detail the following:
- a. The unique features, characteristics, or capabilities of the goods, service or construction.

IT maintenance services will provide preventive and remedial assistance to the DOTA IT staff for system problem determination and resolution. Hoike Networks, Inc. (HNI) has an exclusive support agreement with AirIT, the vendor for Propworks, for the State of Hawaii. HNI's technical resources were part of the initial system implementation team for AIRMIS21 in 2003 and has performed subsequent system upgrades and patches. HNI possesses the technical expertise and certification from AirIT to most effectively maintain the system. HNI's technical team also provides support to other airports, such as Hartsfield Jackson and Atlanta International Airport.

b. How the unique features, characteristics or capabilities of the goods, service or construction are essential for the department

The IT specialized skillset provided by HNI will ensure that system downtime is minimized. DOTA seeks HNI services to provide system updates/patches and resolve any problems in a timely manner. HNI's IT resources are also knowlegeable in Oracle software application tools, database managment systems and the PropWorks interface. They are therefore able to provide total system support. HNI's IT resources require less training to provide the continued support for the system because they provided IT support from the system's inception,. The AIRMIS21-PropWorks system is a mission critical system for the DOTA because it supports data in concession lesses, pormits, systems information statistics, space

management, and billing.

7. Describe the efforts and results in determining that this is the only vendor/contractor/service provider who can provide the goods, services or construction.

Air IT provided the attached memo to DOTA stating that HNI is the only Hawaii based vendor that can perform IT support services for their product.

8. Alternate source. Describe the other possible sources for the goods, services, or construction that were investigated but did not meet the department's needs.

AirIT relies on locally based IT business partners to provide on-site support rather than contracting directly with customers. Contracting with HNI will reduce travel cost and response time to the State since they are based in Hawaii.

9. Identify the primary responsible staff person(s) conducting and managing this procurement. (Appropriate delegated procurement authority and completion of mandatory training required.)

*Point of contact (Place asterisk after name of person to contact for additional information).

| Name | Division/Agency | Phone Number | E-mail Address |
|-----------|-------------------|--------------|----------------------|
| Amy Saito | Airports Division | 808-838-8678 | amy.saito@hawaii.gov |
| | | | |

Department shall ensure adherence to applicable administrative and statutory requirements, including HAR chapter 3-122, Subchapter 15, Cost or Pricing Data if required.

All requirements/approvals and internal controls for this expenditure is the responsibility of the department.

I certify that the information provided is to the best of my knowledge, true and correct.



6 · 22 · 14

| | | | | ficer Use On | | |
|---|--|--|--|---|--|---|
| | | | Date | Notice Posted | 6.2.14 | |
| Submit written o from date notice | | ice to issue a sole so | | | calendar days or as ot | herwise allowed |
| | state.proc | curement.office@ | hawaii.gov | | | |
| Chief Procureme | nt Officer (CPO) Co | mments: | | | | |
| | | | | | | |
| procurem and HAR Express) certificate are any | ent/contract file. section 3-122-112 and award is rec and awards post | This approval is to shall apply (i.e. very duired to be posted to be p | for the solicited and or is required on the Avon | ation proces red to be com wards Report nted in the pr | quired to be docume s only, HRS section pliant on the Hawaii ting System. Copies ocurement/contract t 586-0565 or dor | 103D-310(c) Compliance of the HCE file. If there |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |

☐ No Action Required

Chief Procurement Officer Signature

Sole Source No. SS 14. USIP
Page 3

Approved

☐ Disapproved



Sent via Electronic Mail

Wednesday, December 18, 2013

Mr. Scott Watanabe Hoike Networks, Inc. dba Pacxa 1000 Bishop Street, Suite 701 Honolulu, Hawaii 96813

Dear Scott,

Re: AirIT Partnering Agreement in Hawaii

Air-Transport IT Services, Inc. (AirIT) would like to confirm that Hoike Networks is our exclusive partner for PROPworks® software and professional services in the State of Hawaii. The term is for the period between January 1, 2014 and June 30, 2015 and is subject to the terms and conditions of our partnering agreement. Should you have any questions, please do not hesitate to contact me at 407-370-4664, extension 303.

Thank you for your continued support and I look forward to continuing our relationship with Hoike Networks.

Respectfully,

Air-Transport IT Services, Inc.

Chris Keller

President & COO

200

CS14.081D